

## STAFFORD COUNTY SCHOOL BOARD

### Agenda Consideration

**TOPIC:** Credit Union Services

**ITEM NO:** 10D

**PREPARED BY:** H. Charles Woodcock III  
Assistant Superintendent  
for Financial Services

**MEETING:** December 9, 2003  
**ACTION DATE:** Not Applicable

Jill Hubbard  
Director of Finance and Accounting

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**ACTION REQUESTED BY THE SUPERINTENDENT:** That the Stafford County School Board receive for information, a briefing on the credit union chosen for the employees of Stafford County Public Schools.

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#### KEY POINTS:

In accordance with School Board Goal Number 6, the Department of Financial Services is making every effort to find ways to establish business partnerships that will provide opportunities for staff. To this end, Request for Proposals (RFPs) were issued for a credit union to locate in Stafford County and provide membership services to the employees of Stafford County Public Schools.

The six-member committee appointed to select a credit union (see attached list of selection advisory committee members) chose Apple Federal Credit Union from the four RFP responses received. Apple's key selling point is an interest-free loan of up to \$2,500 that will be available to all new teachers. Another very attractive benefit is no-fee ATM usage in many locations other than the bank itself. Other benefits include an interest checking account with no service charges, investment services including on-line trading and tax-sheltered annuities, and a free on-line bill payer. Apple has also agreed to maintain extended business hours on at least 3 evenings per week for the convenience of school employees.

As part of this partnership with Apple, the school system will provide a centrally located space of approximately 500 square feet for the initial branch. The agreement will include a stipulation that after 24 months, Apple will establish a stand-alone full service branch in Stafford. The only other accommodations requested by Apple are permission to distribute materials on Apple's services (such as interest-free loans) to teachers and to post its newsletter in a prominent location in each building.

The credit union will be open for business on July 1, 2004, in time to accommodate new teachers hired for FY 2005 provided the School Board agrees to furnish the requisite space by March 2004.

It is reasonable to assume that credit union membership will be a popular option based on data furnished by Apple. According to statewide statistics made known to us by Apple, 60 percent of those who are eligible to join Apple Federal Credit Union are members as compared with only 9 percent of those who are eligible to join the Virginia Credit Union. Based on this information, we can anticipate an employee membership of 2000 plus. As new employee loans, tax-sheltered annuities, and various other options are available through payroll deduction only, it may be necessary to include an additional .5 position in the FY 2005 budget in order to meet the demand for these new services.

Apple Credit Union was established in 1956 by a group of teachers; its board of directors is comprised of former educators. To better serve the particular interests of the employees of Stafford County Public Schools, a request will be made to have a school board employee granted a permanent place on the credit union's board of directors.

**SCHOOL BOARD GOAL 6:** Introduce programs to enhance employee status, within the school division and the community at large, so that employees are aware of their value to school and community.

**FUNDING SOURCE:** N/A

**AUTHORIZATION REFERENCE:** N/A

**Stafford County Public Schools  
Credit Union Selection Advisory Committee**

**Laura Ann Cline**, Human Resources Recruiter Analyst

**Rebecca D. Danello**, Coordinator of English and Drama

**Stacy R. Gentry**, Supervisor of Physical Plants

**Julie A. Johnsen**, Account Clerk II, Pupil Transportation Services

**Douglas R. Schuch**, Assistant Principal, Rodney Thompson Middle School

**Catherine K. Walker**, Principal, Hartwood Elementary School